

**AMENDMENTS TO THE CLAIMS**

1. (currently amended) A financial transaction payment system, comprising:

a consumer depository account maintained by a first financial institution holding funds on behalf of said consumer;

a credit payment card for conducting two or more transactions and incurring charges associated with each such transaction, said card being issued to said consumer by a second financial institution, said card further being linked to said depository account maintained at said first institution for covering said charges, and wherein a payment cycle is associated with said credit payment card and a credit payment card balance reflects a spending limit associated with said credit payment card;

wherein at least a portion of said charges accumulated using said credit payment card is are deducted automatically from said depository account on a periodic cycle corresponding to a user-determined deduction cycle, wherein said cycle is agreed upon by said financial institution, and applied to said credit card balance.

2. (canceled)

3. (previously presented) The financial transaction payment system of claim 1, wherein a credit limit is associated with said card, which limit is reduced based on said charges, and refreshed automatically as a function of said deducting means.

4. (previously presented) The financial transaction payment system of claim 3, further comprising:

periodically informing said consumer of said charges made on the card and of the amount received from said consumer depository account to cover said charges.

5. (currently amended) A method for conducting financial transactions comprising:

~~establishing a consumer depository account maintained by a first financial institution holding funds on behalf of said consumer;~~

issuing establishing a credit payment card account using a first financial institution computer, wherein a payment cycle is associated with said credit payment card account and a credit payment card account balance reflects a spending limit associated with said credit payment card account, for conducting two or more transactions and incurring charges associated with each said transaction, ~~said card being issued to said consumer by a second financial institution~~, said card account further being linked to ~~said a~~ depository account maintained at ~~said first a second~~ financial institution for covering said charges;

~~automatically deducting from said depository account on a periodic cycle corresponding to a user-determined deduction cycle an amount equal to at least a portion of said charges accumulated using said credit payment card; and~~

applying deductions to said credit card account balance using a first financial institution computer, wherein said deductions automatically deducted from said depository account on a periodic cycle corresponding to a user-determined deduction cycle an amount equal to at least a portion of said charges accumulated on said credit payment card account, further wherein said periodic cycle is agreed to by said financial institution.

6. (canceled)

7. (currently amended) The method of claim 5, wherein a credit limit is associated with said card account, which limit is reduced based on said charges, and refreshed automatically as a function of said automatically deducting step.

8. (currently amended) The method of claim 7, further comprising: periodically informing said consumer ~~by said second financial institution~~ of said charges made on the card and of the amount received from said consumer depository account to cover said charges using a first financial institution computer.